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February 17, 2010

By facsimile (304) 267-6965

The Honorable John P. Bailey
United States District Judge
United States District Court
Northern District of West Virginia
217 W. King Street, Room 214
Martinsburg, WV 25401

Re: Automated Merchandising Systems, Inc. v.
Crane, Co., and Seaga Manufacturing, Inc., No 08-CV-97 (JPB)
(Consolidated with 03-CV-88 (JPB))

Dear Judge Bailey:

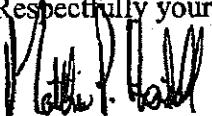
On behalf of defendant Seaga Manufacturing, Inc., I am writing about plaintiff Automated Merchandising System's Motion for Leave to File a First Amended Complaint ("Motion for Leave"), filed on February 3, 2010. (Dkt # 157).

By order dated December 2, 2008, the Court stayed plaintiff's claims. (Dkt # 92). On December 16, 2009, the United States Court of Appeals for the Federal Circuit affirmed the Court's order staying plaintiff's claims. (Dkt # 154). Notwithstanding the stay, plaintiff filed its Motion for Leave. Because the stay has not been lifted, counsel for defendant Seaga requested that plaintiff withdraw its Motion for Leave. (See Ex. A.) Plaintiff has not withdrawn its motion or responded to the letter.

Defendant Seaga objects to plaintiff's Motion for Leave and believes no ruling should be made on the motion until the reexamination of the patents-in-suit has concluded and the stay has been lifted. Out of abundance of caution and to avoid violating the stay, defendant Seaga will not file a response to plaintiff's Motion for Leave. Defendant Seaga respectfully reserves its right to respond to the Motion for Leave at the appropriate time, *i.e.*, when the Court lifts its stay of plaintiff's claims. If the Court desires defendant Seaga to file a response notwithstanding the stay, defendant Seaga will file a formal response as directed by the Court.

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I am providing a copy of this letter by facsimile to all counsel of record in this matter.

Respectfully yours,


Matthew P. Heiskell

MPH:mdh

Enclosure

cc: (via *facsimile* w/enc.):

Brian Peterson, Esquire
Charles Printz, Esquire
Donald L. Jackson, Esquire
James Berquist, Esquire
Michael Smith, Esquire
William A. Munck, Esquire
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February 4, 2010

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James D. Berquist, Esq.
Davidson Berquist Jackson &
Gowdey, LLP
4300 Wilson Boulevard, Suite 700
Arlington, VA 22203

Dear Mr. Berquist:

Re: Automated Merchandising Systems,
Inc. v. Crane Co., et al.

I write regarding AMS's Motion for Leave to File a First Amended Complaint, which was filed on February 3, 2010. As you are aware, the lawsuit is currently stayed pursuant to the District Court's December 2, 2008 Order, which was recently affirmed by the Federal Circuit. By filing the Motion for Leave, AMS has run afoul of the Court's Order. Accordingly, Seaga requests that AMS withdraw its Motion for Leave.

Yours very truly,

William A. Rinehart II

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cc Mr. Jamil N. Alibhai



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